JAN 1 9 2012

## A BILL FOR AN ACT

RELATING TO MEDICAID.

### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

- 1 SECTION 1. Pursuant to Act 164, Session Laws of Hawaii 2 2011, the legislature will appropriate more than \$1,000,000,000
- 3 of general fund revenues to the department of human services in
- 4 each year of the current fiscal biennium. These funds are
- 5 necessary for the department's operation of the state medicaid
- 6 program, a program that alone accounts for nearly three-quarters
- 7 of the department's operating expenses. Despite the
- 8 legislature's role in appropriating funds for medicaid, the
- 9 department makes decisions affecting medicaid with very little
- 10 input from legislators.
- 11 The purpose of this Act is to:
- 12 (1) Make more transparent the operations of Hawaii's
- medicaid program; and
- 14 (2) Increase the scope of the legislature's involvement in
- 15 Hawaii's medicaid program.
- 16 SECTION 2. Chapter 346, Hawaii Revised Statutes, is
- 17 amended by adding a new section to be appropriately designated
- 18 and to read as follows:

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         "§346-
                   Medicaid program. (a) The department shall
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    notify the standing committees in the senate and house of
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    representatives that have primary responsibility for medicaid
4
    issues about any intended change to Hawaii's medicaid program.
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    The notification shall be made no later than sixty days prior to
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    the implementation of the intended change and shall include the
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    full text of the intended change. For any proposed medicaid
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    state plan amendment, the notification shall be made prior to
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    submission of the amendment to the Centers for Medicare and
10
    Medicaid Services.
              The standing committees identified in subsection (a)
11
         (b)
    may hold hearings on any intended change to the medicaid program
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    or any proposed medicaid state plan amendment.
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         (c) The legislature may by statute prohibit the department
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    from making any intended change to the medicaid program or
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    require the department to withdraw any proposed medicaid state
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    plan amendment that has been submitted to the Centers for
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    Medicare and Medicaid Services. In addition, the legislature
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    may by statute require the department to submit a medicaid state
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    plan amendment to the Centers for Medicare and Medicaid Services
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    or to make any other change to Hawaii's medicaid program."
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         SECTION 3. New statutory material is underscored.
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1 SECTION 4. This Act shall take effect upon its approval.

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INTRODUCED BY:

# S.B. NO. **2088**

### Report Title:

Medicaid; DHS

### Description:

Requires DHS to notify the appropriate standing committees of the senate and house of any intended change to medicaid no later than sixty days prior implementation of the change. Authorizes the specified standing committees to hold hearings on any intended change to medicaid and prohibit or require certain actions by DHS that may affect Hawaii's medicaid program.

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